

Introduced by Senator WaltersFebruary 21, 2012

An act to add Section 7507.1 to the Government Code, relating to public employee benefits.

LEGISLATIVE COUNSEL'S DIGEST

SB 1142, as introduced, Walters. Public employee benefits: postemployment health care benefits.

The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, establishes provisions governing postemployment health care benefits for members and their families, upon meeting vesting requirements and subject to various limitations. That law permits a contracting agency to be subject to the act for its employees and annuitants, upon meeting specified criteria. Existing law also establishes various postemployment health care benefits under other benefit systems, including those offered by counties, districts, and cities.

This bill would prohibit a public employer, as defined, for employees first hired on or after January 1, 2013, from providing postemployment health care benefits on behalf of its employees unless it fully funds those benefits, as determined by an actuary.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7507.1 is added to the Government Code,
2 to read:

1 7507.1. (a) Notwithstanding any other law, for employees first
2 hired on or after January 1, 2013, a public employer shall not
3 provide postemployment health care benefits on behalf of its
4 employees, unless it fully funds these benefits, as determined by
5 an actuary.

6 (b) For purposes of this section, the following definitions apply:

7 (1) “Public employee” means an officer, including those elected
8 or appointed, or an employee of a public employer.

9 (2) “Public employer” means:

10 (A) The state and every state entity, including, but not limited
11 to, the Legislature, the courts, and the California State University,
12 but excluding the University of California.

13 (B) Any political subdivision of the state, including, but not
14 limited to, a city, county, city and county, school district,
15 community college district, joint powers authority, joint powers
16 agency, and any public agency, authority, board, commission,
17 district, or other entity, but excluding a charter city or charter
18 county.